

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
STUDY SESSION**

**9:30 A.M., Thursday, May 2, 2002
Arizona Department of Transportation
Board Room
206 South 17th Avenue
Phoenix, Arizona 85007**

The State Transportation Board met in official session for a study session at 9:30 a.m., Thursday, May 2, 2002, with Chairman Katie Dusenberry presiding. Other Board members present included: Vice Chairman Ingo Radicke, Rusty Gant, Dick Hileman, Bill Jeffers, Joe Lane, and Jim Martin. Also present were Director Victor Mendez; Debra Brisk, Deputy Director; Dick Wright, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; Mary Lynn Tischer, Director, Planning Division; and Gary Adams, Assistant Director, Aeronautics Division. There were approximately 40 people in the audience.

Chairman Dusenberry called the meeting to order and led those present in the Pledge of Allegiance.

Yavapai Tribe Presentation

Chris Moss, Yavapai Tribe, asked for the Board's support of their transportation program. He stated they have made presentations to the Board of Supervisors, the City of Prescott and the City Council and have held one public meeting. He noted the City Council passed the program by Resolution 3433. He said the Tribe set out to build a connector road connecting SR 89 and SR69 coming into Prescott. He reviewed the state, county and tribe's responsibilities with regard to the project, stating the enhanced program allows for a better, more cost effective and efficient design. He said the tribe is comfortable with the cost and risks associated with the project.

Mr. Jeffers asked to what degree ADOT would participate in the Heather Heights portion. Mr. Tom Foster/District Engineer/Prescott, explained the county is responsible for designing and constructing the roadway and ADOT will reimburse the county \$1.1 million. He said the county has been trying to secure the right-of-way from the tribe. Mr. Jeffers asked how they justify the state's participation in that section. Mr. Foster said the state will relocate the access for the cemetery and for the Heather Heights area, explaining the existing Cemetery entrance and Garfield Road intersection have to be eliminated.

Mr. Moss stated the program's comprehensive plan for turn-backs makes it a key component to ADOT's plan to realign the responsibilities for SR 89.

In response to Mr. Martin's question, Mr. Moss said ADOT's share is approximately \$21 million, Yavapai County's share is about \$2.1 million and Yavapai Tribe's share is approximately \$8.7 million. He noted their share could change if they are unable to obtain federal Bridge Replacement funds to cover the amount Yavapai County is not going to

contribute. He stated the entire package, including right-of-way costs, totals approximately \$40 million.

Mr. Moss reviewed the locations of the turn-backs for Mr. Radicke. He stated all of the turn-backs are in writing, except one for which an IGA has been drafted and is in the review process. He clarified the tribe did not include right-of-way costs in their share. Mr. Moss noted the tribe estimates the value of that right-of-way to be \$2.3 million.

Mr. Jeffers asked about the \$1.8 million in improvements the tribe will do to SR 69. Mr. Moss explained they will add a third lane in each direction through the Frontier Village area, noting it currently has a Service Level F at certain times of the day. He said the improvements are necessary to maintain a Service Level C or D for the next 20 to 25 years. Mr. Jeffers asked how soon they would have the connector road built. Mr. Moss said they are at 70 percent regarding the plans and, once approved, the tribe is willing to begin construction.

In response to Mr. Martin's question, Mr. Foster said the City of Prescott agreed to revisit the design concept and to consider roundabouts and eliminating left turn movements. He stated they unanimously voted to proceed, however, they asked to have their engineers look at the plan before the DCR is approved.

Mr. Martin asked if the ramp structures would be eliminated and replaced with surface level ramps. Mr. Moss explained they would likely bring the ramps in at sharper angles, but lower the speeds. Mr. Radicke asked Mr. Moss what exactly he is asking of the Board and what is their time frame. Mr. Moss offered to provide timeframes and a cost breakdown when he comes back before the Board. He stated they will not ask the state for more than the \$21 million committed to in the Design Concept Report.

In response to a member's question, Mr. Moss stated the project would be built piecemeal.

Chairman Dusenberry asked Mr. Moss to return with a time schedule. Mr. Mendez asked if the schedule should be constrained by current dollars in the program. Chairman Dusenberry said the schedule should include an explanation of how far current dollars would take them and where the shortfall occurs. Mr. Moss pointed out the proposed IGA has to be signed to secure the Tribe's interest in the project. Chairman Dusenberry stated the Board needs to see the time frames involved as well as very realistic costs before it can make a decision.

Mr. Moss clarified for Mr. Mendez that the \$21 million includes everything, but that they hope other alternatives being considered will allow the money to go further.

Mr. Jeffers asked how much of the \$3.8 million for the bridge is actually ADOT's money. Mr. Moss said, currently, none of it is ADOT money. He said, however, they may request ADOT's assistance if they are unable to obtain all of the necessary funding. Mr. Jeffers asked if the county and city would be willing to postpone the interchange for five or six years if the connector takes the pressure off the interchange. Mr. Moss explained where the bottleneck occurs and discussed which improvements would have to be done to resolve the problem.

Mr. Foster reviewed the areas scoped in the DCR. He noted, however, they are modifying the DCR and EA.

Tentative Draft Program

Ms. Tischer reviewed a document summarizing comments made during the public hearings. She noted transcripts from all of the hearings are not yet available, therefore, they derived only major comments. She said the Hoover Dam allocation was the only issue raised at the MAG meeting. She said people felt the Board's decision to change the funding violated the cooperative programming process. She said staff has developed a cooperative programming process, including individuals from rural and urban areas. She stated the RAAC determines the funds to be allocated to and expended by each geographic area in the state. She said, if the change were made, they would have to go back to the estimate of funds to be allocated to MAG, PAG and the rest of the state before the final program is adopted. She expressed concern that the action would compromise the cooperative process they have developed. She asked the Board to consider the RAAC's perspective when making its decision on the final program in June.

Ms. Tischer stated concern about the Hoover Dam bridge was reiterated at the PAG meeting. She said the City of Globe also requested that a project to widen the road from US 60 to SR 77 be included in the program. She said, from staff's perspective, it would be difficult to add a new project given the number of projects that had to be deferred from the five year program. She reported accelerating the Fort Grant TI was suggested as a candidate for the HELP loan program, noting design is scheduled for 2005 with construction in 2006. She recommended the Board support acceleration of the project. She stated Tucson also asked for the Board's support in their pursuit of Federal Highway Priority Project funding for undergrounding I-10 in Tucson. She said it is not clear at this time if others in the region support the city's request. She pointed out the undergrounding would result in a significant increase to program costs.

Mr. Martin asked what has been studied with regard to I-10 from Tucson to Phoenix, expressing his opinion the entire area is not receiving the attention it needs. Ms. Tischer said a study is currently underway, the results of which will be provided to the Board when available. She agreed I-10 is one of the most important corridors in the state.

Ms. Tischer stated Yuma requested the SR 280 reconstruction project be returned to the program. She explained the project was initially in the program for \$2 million, but was moved out of the program until further estimates of the cost can be obtained. She noted the project is on a high priority list to be returned to the program. She stated the Town of Payson indicated they would like the Little Green Valley, Doubtful Canyon and Lion Springs projects returned to the program. She explained Little Green Valley was in the program in 2004 for \$8.8 million, with the latest estimation coming in at \$22 million. She said Doubtful Canyon was originally programmed in 2005 for \$8 million and is now estimated to cost \$31 million. She stated the Little Green Valley and Doubtful Canyon projects are on the priority list for being returned to the program. She noted Lion Springs was not in the program for construction, but the design was programmed in 2004 for approximately \$1.3 million. She confirmed the design for all three projects are still in the program.

Ms. Tischer discussed issues raised at the Flagstaff meeting, including the east Flagstaff traffic interchange. She said the city views the interchange as a significant economic development project. She reiterated staff's concern about bringing new projects into the program when other projects in the program have been deferred beyond the five years. She noted it appears HELP loan funds would not be available until 2005. She reported the City Council agreed the SR 179 Village of Oak Creek to North Forest Boundary project should be constructed, but did not want ADOT to proceed with a four lane roadway from the North Forest Boundary to the Sedona section. She said they requested the design be changed to a two lane roadway, but are willing to discuss other concepts. She said staff's recommendation is to leave it, as is, in the program, noting the environmental documents should be completed by the end of October. With regard to Indian Route 20, Ms. Tischer stated the Navajo Nation requested that it be added to the State Highway system. She noted a parallel roadway is part of the state system. She said, while they will analyze the project, it would be difficult to recommend the addition of a new project, given the number of programmed projects deferred beyond the five years. She said an individual expressed concern that a two lane alternative was not being considered in the DCR on SR 64. She stated it would be premature to discuss the project as it is still in the environmental review process. Ms. Tischer stated there was some concern that nothing was being done on SR 260 from I-17 to Cottonwood and a request was made to continue widening SR 264 from Ganado to the existing project in Window Rock. She said staff would find it difficult to recommend the addition of these projects due to the number of projects deferred beyond the five years. She reported a request to widen US 89 from SR 64 to US 160. She noted several passing lanes have been added in that area. She stated, while they would not recommend adding this project to the current program, they would consider the project for future programming cycles. Ms. Tischer said two requests were made concerning US 191: that Douglas to I-10 be made an all-weather road and that I-10 to SR 266 be improved. She said they would not recommend including Douglas to I-10 improvement at this time, but believe it should be considered for programming in future cycles. She said the I-10 to SR 266 improvement is already in the program, explaining construction of the first and fifth segments is scheduled for 2004 for \$11 million and \$5 million, respectively. She said design of Segment Four is programmed in 2003 for \$580,000, Segment Two is programmed in 2006 for \$800,000 and Segment Three is programmed in 2006 for \$400,000.

Ms. Tischer reported other issues raised at the Flagstaff meeting included bypass routes for Miami/Globe and Payson; a request to advance I-10 to Marsh Station; a request to advance US 60 Florence Junction to Gonzales Pass; improvements to SR 177, Superior to Kearny; a request to retain the I-10 Gila River Bridge in the final program, a request to consider an at-grade railroad crossing and a request to improve the westbound ramp on B-10 Quartzsite. She said there was a request that the Grand Canyon Railroad project be considered in lieu of improvements to SR 64. She stated she would need additional information about the request before making any recommendation to the Board. She said there were also requests to improve the westbound off-ramp on I-10 at MP 303 and for a pedestrian crossing sign on SR 89 at The Gap.

Ms. Tischer said there will be a formal request to return the sign rehabilitation program. She said there is also a request to program the recreational trail program. She said both issues involve allocating costs across the geographic areas.

Mr. Jeffers stated there was actually a plan for a five lane roadway on SR 179 from the North Forest Boundary to Sedona. Mr. Jeffers recalled comments he remembered hearing at the Flagstaff meeting concerning SR 73. He noted MAG also commented on the fact that RAAC had not had an opportunity to discuss funding for Hoover Dam. Ms. Tischer said RAAC has discussed Hoover Dam in terms of obtaining federal funds, but it has not discussed how the dam would be considered with respect to each regions' allocation of estimated funds. Chairperson Dusenberry stated MAG was more concerned that the process had been violated. Mr. Jeffers asked if comments contained in letters received from the public were included in the summary. Ms. Tischer responded yes. Mr. Jeffers stated he was impressed with the level of detail contained in the letter from Phillip Sawyer.

Mr. Radicke said they were assured SR 260 and the I-10 Gila River Bridge would be returned to the program as soon as funds were available. Mr. Mendez questioned whether Gila River Bridge was included on the priority list because it has not yet been scoped. Chairperson Dusenberry asked for a copy of the priority list.

The Board decided to accept public comments for the record up until such time as the Board votes on the Program.

Sign Rehabilitation Program

Mr. Duffy stated they rehabilitate approximately 1,300 miles of freeway signs, in 50-foot cycles. He estimated the cost of rehabilitating the entire inventory of freeway signing to be \$72 million. He explained rural Arizona has 1,050 miles of signage and accounts for 36 percent of the total cost, Phoenix urban freeways has 225 miles of signage and accounts for 56 percent of the cost and Tucson has 30 miles of signage and accounts for 8 percent of the total cost. Mr. Duffy reported FHWA is developing a new minimum retro-reflectivity standard that could require extensive effort by the state to ensure the standard is met. He said, while replacing signs on a 10 year cycle would ensure the standard is met, doing so would be very expensive and require 15 projects be designed and constructed next year. He estimated the average cost of the current 15-year cycle to be \$4.5 million per year. He recommended they stay with the 15 year replacement cycle, expressing his opinion they will be capable of meeting FHWA requirements. He pointed out that, due to new MAG sections, they will need to construct six projects per year beginning in 2016 to keep their 15 year cycle.

Mr. Jeffers asked if breakaway sign posts are still required. Mr. Duffy explained all signs currently are breakaway, except for cantilever signs which are typically located on the outside of the clear zone. Mr. Jeffers commented on the signs that fell over in high winds along I-40 from Sun Valley to Mexico. Mr. Duffy acknowledged it is a continuing maintenance problem, noting product improvements now allow the sign posts to withstand higher wind loads.

Ms. Tischer said she will be bringing forward an amount to cover the Sign Rehabilitation subprogram.

Recreational Trails

Ms. Carol Sherbarth explained the Recreational Trails Program (RTP), authorized in the TEA 21 in 1998, is a federal aid assistance program to help states provide and maintain recreational trails for both motorized and non-motorized recreational uses. She said the program has a total of \$270 million in contract authority funding, with \$30 million in FY 1998, \$40 million in FY 1999 and \$50 million annually for FY2002-2003. She explained each state develops its own procedures to solicit projects and federal agencies provide 80 to 95 percent of the funding. She said in most states the Governor designates a resource agency to administer the program. She stated recreational trails funds may be used for maintenance and restoration of existing trails; development and rehabilitation of trailside and trailhead facilities and trail linkages; purchases and lease of trail construction and maintenance equipment; construction of new trails; acquisition of easements or property for trails; state administrative costs related to the program; and operation of educational programs to promote safety and environmental protection related to trails. She noted states must use 30 percent of their funds for motorized uses, 30 percent for non-motorized uses and 40 percent for diverse trail uses. She stated recreational funds may not be used for property condemnation, constructing new trails for motorized use on National Forest or Bureau of Land Management lands unless the project is consistent with resource management plans, or facilitating motorized access on otherwise non-motorized trails.

In response to Mr. Radicke's question, Ms. Tischer explained that not more than seven percent of the funds can be spent on administrative expenses. She noted the funds have to be spent in the manner set forth in TEA 21 or the state will not receive them. She said they will be recommending the Recreational Trails Program be included in the final program. She pointed out TEA 21 sunsets in 2003, stating, however, they continue to program as if the program will continue to exist.

Mr. Jeffers asked how regions are selected and how the caps are established. Ms. Tischer explained they are Park Services regions. Chairperson Dusenberry suggested someone from Parks Services prepare a written report explaining how regions are designated and how the cap for each region is established.

Airport Program

Mr. Adams said they received a request from the Navajo Nation to do cost sharing. He stated the Attorney General is under the opinion that the statute that authorizes the Board to give grants to various cities and towns throughout the state does not include the Tribal nation. He reported the City of Page asked to have two 2006 projects returned to the program, explaining they were simply overlooked. With regard to the Duncan airport, Mr. Adams explained the wrong rating formula was used, project continuity was not applied to the projects and they did not follow the process for projects that fall short on funds. He reviewed the formula and criteria by which they prioritize primary and secondary system projects. He explained that, in 2003, the runway project did not have a high enough priority to make it in the primary or secondary readings. He said, however, in 2004, the runway was a high priority, but the money was not available. He stated they have \$160,000 in 2004 for aprons and \$184,000 in 2005 for following projects. He

recommended the Board remove the projects that were programmed improperly and that the funds be redirected towards constructing the runway, pointing out no other projects would be affected. He suggested staff and airports, in cooperation with the Governor's Aviation Advisory Council, review the Board's policies and come back to the Board with recommendations for changes to the primary and secondary resource allocations to the various areas.

Chairman Dusenberry asked Mr. Adams if he has spoken with the Duncan Airport regarding his recommendation. Mr. Adams responded yes.

Mr. Martin asked if it would make more sense to greatly improve one airport than to slightly improve two. Mr. Newley stated the project will help Duncan in terms of economic development, noting Duncan is one of the few places in the state that has a first class railroad system and a good highway system. He said a small investment in the Duncan airport would serve both Duncan and the other surrounding communities well. Mr. Martin asked how many Duncan residents and farmers would actually be served by the airport, pointing out many of the farmers that would be served would be from New Mexico.

Mr. Mendez referred to a letter from Governor Hull dated July 18 in which she outlined her concerns.

The meeting recessed for a short break.

R/W Acquisition and Relocation Procedures

Mr. Hansen explained Right-of-Way is the real estate department for ADOT and is responsible for acquiring real estate rights necessary to build the freeway system as well as any facilities, leasing of buildings, motor vehicle sites and so forth. He reviewed the individual duties of the different sections of the department. He said they administer two programs to acquire real estate rights, the acquisition program and the relocation program. He explained acquisition refers to a citizen's right to be justly compensated when the government takes their property. He said courts have generally interpreted the term "just compensation" to be the market value of the property. He stated relocation refers to the relocation of personal property, not the purchase of businesses. He noted they are not authorized under state law to pay for loss of business and, in fact, there is no guarantee that a business must survive a relocation or highway purchase.

Mr. Hansen explained the director is authorized to buy only what is needed for the Highway Department. He pointed out they are required to pay damages if they take a portion of the property and leave the remainder that is worth less as a result. He stated they are required to provide legal access to a property or, if unable to do so, they are required to purchase the property. He said security of travel could have an impact to the highest and best use of a property, therefore they may have to pay damages if the access route is changed. He noted they almost always use outside C contract appraisers and all of the appraisals are reviewed by staff or contract review appraisers. He said they obtain a second appraisal if the property value exceeds \$400,000. He stated a copy of the approved appraisal is provided to the property owner when an offer is made.

Mr. Hansen acknowledged that the acquisition of someone's property is a traumatic experience for the property owner. He said all offers are made in writing, preferably in person. He stated the amount of time a property owner has to accept an offer differs in each case, but they typically try to give a reasonable time to determine if the offer is reasonable. He said the property then proceeds to escrow or, if a settlement cannot be reached, it goes into the condemnation process. He explained they are required at the Order to Show Cause Hearing to prove that there is a public need for the property. He stated, once they are given the Order For Immediate Possession, the property is in their possession. He said, however, they still have to go through a negotiated settlement with the property owner through the court or through a jury trial which will come back with a value. He stated they are only able to sell or trade a property after they receive the Final Order of Condemnation.

Mr. Hansen stated they are not able to condemn public lands, including Bureau of Land Management, Bureau of Reclamation, Forest Service, Indian Tribal Lands and the State Land Department.

With regard to relocation, Mr. Hansen explained they do not purchase a new property for a business. He said, however, property owners get a replacement housing payment and tenants are given a supplement to their rent. He stated they also pay the resident's moving costs, pack, insure and deliver their personal property and pay for utility reconnections. He said businesses are not treated as well economically as homeowners and tenants. He explained they will move the personal property, pay for a site search, pay a reestablishment fee of up to \$10,000, and disconnect and reconnect their equipment. He said there is a 90-day minimum notice for vacating a property and a 30-day final notice once escrow closes or condemnation is granted. He said they inform people of projects coming into their area in a variety of ways, including public meetings, brochures, newspaper advertisements and so forth.

Mr. Hansen reported a law has been proposed wherein they would have to pay attorney's fees. He said they are opposed to the law and, at this point, it appears the law is not proceeding through the legislature this year. He explained there would be no incentive for property owners to negotiate if the department is willing to pay their attorney fees.

Mr. Radicke asked about a particular property owner who complained the department did a "fly-by" evaluation of her property. Mr. Hansen stated their construction deadlines do not change just because a property owner is not cooperating. He explained they move forward with a fly-by appraisal to force the property owner to the table. Mr. Mendez noted his staff made several attempts to coordinate with the property owner. Mr. Hansen reported the parcel has been referred to condemnation and they are working with the property owner on relocation.

Mr. Jeffers asked if they trade land with property owners. Mr. Hansen said they can and often prefer to do that, however, it rarely happens unless an adjacent property is available. Mr. Jeffers asked how much authority his staff has to increase the amount offered. Mr. Hansen said there is a staggered authority within the department, however, they do not encourage raising the offer because of the precedent it sets.

Mr. Martin pointed out there are tax benefits to the seller with regard to condemnation. Mr. Hansen agreed, stating it is almost directly related to the property value.

Mr. Mendez noted a periodic audit done five or six years ago criticized ADOT for being too generous in its right-of-way settlements. He said they have chosen to ignore the comment because of the value associated with keeping projects on track.

Mr. Radicke asked how much land acquired but not used is sold or auctioned off. Mr. Hansen said the property management section has a program for auctioning and selling properties. He estimated doing \$6 million in sales last year and \$10 million this year. He noted they have tried to create a process for giving properties away because they have approximately 500 parcels that they are unable to sell.

Chairperson Dusenberry asked who makes the decision to release land back to localities. Mr. Hansen said a new law allows them to turn over right-of-way easement to cities that have a plan to build on an alignment the department has abandoned. He said Mr. Mendez and the Board have ultimate authority to make that decision.

Mr. Gant asked if the department pays damages when a freeway goes by a property, but does not directly touch the property. Mr. Hansen responded no.

Mr. Radicke asked how long they can hold onto a right-of-way before they have to build on it. Mr. Hansen said he is not aware of any limitation on how far in advance they can purchase a property. He noted they have owned land for 20 years before using it.

Ms. Brisk announced Sam Elters is the new District Engineer in Kingman.

Route Transfer Study

Mr. Burnham explained the Route Transfer Study was initiated to determine the routes that should be considered for transfer to local jurisdictions and if an effective process is in place to do so. He said they found there is no consistent list of routes that should be transferred and that the process is inconsistent across the state. He explained rural routes serve major portion of trips entering, leaving and traveling through the state, long trip lengths and high volumes, and connect population centers. He said urban routes establish continuity of the rural system and serve regional travel in large urban areas. He stated the majority of routes on the state system are low volume primary connections to cities. He said Level of Development 5 routes do not belong on the state system and removing them from the system is a major objective. He identified Level of Development 4 routes that no longer meet the mission and purpose of the state highway system as possible candidates for transfer as well.

Mr. Burnham stated most transfers are done by intergovernmental agreement with the local jurisdictions, noting the agreements often include additional improvements over those required by law. He said local jurisdictions often request additional assistance when taking over state routes, including improvements that will reduce future maintenance. He noted actions of the Board with regard to establishing or abandoning state highways is subject to review by the

Superior Court. He mentioned issues they face with the current process, including: 1) the lack of a defined list of candidates for abandonment or transfer; 2) the construction of bypasses or realignments that may leave new business routes and highway segments that no longer serve a state highway function; and 3) the ad hoc process in which improvements provided are expensive for the state, the pace of transfer is too slow, negotiations are too lengthy and the processes and end results are inconsistent for similar transfers in different jurisdictions. He said they are considering a number of alternatives, such as a better system for defining and listing routes to be transferred, establishing priorities for accomplishment of transfers, and making abandonment of remaining highway segments a condition of construction of bypasses and realignments. He said they are also considering requiring a local commitment as a condition of improvements or new street access to Level 5 routes, clearly defining abandonment and transfer processes, and special funding to assist with transfers.

Chairperson Dusenberry asked if they can abandon a road if an agreement is not reached with the local government. Mr. Burnham said, legally they could abandon the road, however the local government would likely come back to the Board and possibly the Legislature or the Court if it opposed the abandonment. He suggested it would be more feasible to abandon rural routes.

Mr. Martin questioned Wickenburg's ability to absorb the maintenance costs should the bypass be built and the remainder of the route through town be abandoned, pointing out there are several significant bridges. Mr. Burnham said reducing the maintenance costs of a route before the route is transferred is one of their objectives. He acknowledged the process would have to have a level of flexibility. Mr. Mendez noted the state has an obligation of at least five years. Mr. Burnham agreed, noting the state also has an obligation to take the financial condition of the locality into account.


Mr. Burnham concluded, stating their next steps are to identify candidate routes for abandonment or transfer, set priorities for abandonment or transfer, define the transfer process, and obtain Board adoption of new policies, if required.

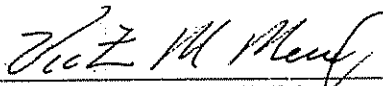
Adjournment

No closing comments were made.

Board Action: A motion to adjourn was made, seconded and passed unanimously.

The meeting adjourned at 2:00 p.m.


KATIE DUSENBERRY, Chairperson
State Transportation Board


VICTOR MENDEZ, Director
Arizona Department of Transportation

**MINUTES
OF THE
STATE TRANSPORTATION BOARD
BOARD MEETING**

**9:00 a.m., Friday, May 17, 2002
City of Winslow Council Chambers
115 East 2nd Street
Winslow, Arizona 86047**

The State Transportation Board met in official session for a regular meeting at 9:00 a.m., Friday, May 17, 2002, with Chairperson Dusenberry presiding. Other Board members present included: Rusty Gant, Dick Hileman, Bill Jeffers, Joe Lane and Jim Martin. Also present were Director Victor Mendez, Debra Brisk, Deputy Director; Dick Wright, State Engineer; John McGee, Chief Financial Officer, Administrative Services Division; Gary Adams, Assistant Director, Aeronautics Division; and Mary Lynn Tischer, Director, Planning Division. There were approximately 45 people in the audience.

OPENING REMARKS AND PLEDGE

Chairperson Katie Dusenberry led the audience in the Pledge of Allegiance. She thanked the Town of Winslow for their hospitality Thursday night and introduced dignitaries in the audience.

Jim Boles, Mayor of Winslow, welcomed the Board to Winslow.

CALL TO AUDIENCE

Jim Boles, Mayor of Winslow, discussed their Renaissance 66, coupling TEA21 with the turnback agreement.

Joe Donaldson, Mayor, City of Flagstaff, read for the record a letter dated May 15, 2002 from David Wilcox, City Manager, to Chairperson Dusenberry. In the letter, Mr. Wilcox requested ADOT to accelerate the design of the Country Club TI to be included in the upcoming year's fiscal budget and that the design contract be issued as soon as possible. The letter went on to say that Flagstaff is prepared to enter into an intergovernmental agreement with ADOT to address the cost of the design acceleration.

Mark Reynolds, Captain, Navajo County Sheriff's Posse, said they do a historic pony express ride from Holbrook to Scottsdale every January. He asked the Board's permission to make 77, 377, 277, 260 and 87 the historical route.

Chairperson Dusenberry explained the Board is unable to make any decisions on items brought up during Public Comments. She said, however, staff will contact Mr. Reynolds.

Richard Young, Director of Public Works, Navajo County, announced the Navajo County Board of Supervisors adopted Resolution 4202 expressing its appreciation to the Arizona Department of Transportation and the Arizona Transportation Board.

Richard Straub, Director of Public Works, Yavapai County, stated the freeway system they envisioned six years ago is well under construction. He asked the Board to consider moving the proposed interchange at SR 89/SR 89A into the Five Year Plan, noting traffic is expected to double in that area over the next 12 months. He said, while the interchange is an ADOT responsibility, the County is paying 100 percent of the design and the local area of government has voted to pledge one to two years of their HURF money towards its construction.

In response to Mr. Gant's question, Mr. Straub estimated the interchange to cost \$3 to \$3.5 million.

Marry Anne Moreno, Executive Director, Southern Gila County Economic Development Corporation, reported paving has begun on US 60 from Miami through Globe. She urged the Board not to move the Highway 188 project out of 2004, except to accelerate it. She stated the area from Devore Wash to Sportsman's Haven is the only bad section of the highway. She asked the Board to put additional passing lanes on US 60 between Superior and Miami, stating it is one of the most heavily trucked communities in the state that is not on the interstate system. She also asked the Board to keep the bypass on US 60 from Superior through Globe in mind.

Jesse Thompson, Navajo County Board of Supervisors, expressed appreciation to the Board for their support of Navajo County and rural areas throughout the state. He stated Little Mountain Road is heavily traveled and they will be coming to the Board to request that it be paved. He said they submitted an application to Federal Highways Administration, but unfortunately it was not selected. He stated Little Mountain Road is not a state route.

Teddy Bedonie, Cameron Chapter Resident, explained his community sits along Highway 89. He expressed concern that ADOT's plan for a double lane road from Gray Mountain to the Trading Post would make accessing the highway more difficult and would have a detrimental effect on the community's economic growth. He asked the Board to meet with the community to discuss how best to improve the road through Cameron.

Ernie Strauch, Councilmember Elect, City of Sedona, stated the Board will be receiving a letter clarifying the desires of the citizens of Sedona. He stated the citizens of Sedona reject the concept of a four and five lane highway as a blanket solution applied to the entire length of the 8.9 mile project. He said they endorse a segmentation plan for the project that recognizes differing needs and considerations along the corridor. He explained the first 1.25 miles of the project has no justification, either in terms of safety or capacity. He said they support an upgrade of the second segment, which is within the confines of the Village of Oak Creek. He stated a design concept dialogue with ADOT should commence immediately with regard to the third segment of the project, stating there is no need to wait for the EA. He said the segment from the Oak Creek bridge to the "Y" has the greatest urgency and the community is adamant that a thorough conceptual redesign of the segment is necessary. He stated SR 179 is in extremely poor

condition and constitutes an unacceptable level of liability for the state and unacceptable safety and welfare considerations for the public. He asked the Board to give immediate attention to their request, stating the pending EA does not preclude moving forward with a design concept dialogue or conceptual redesign of the "Y".

Spike Simmons, Councilmember, City of Holbrook, thanked the Board for keeping the North Navajo Boulevard widening project in the Five Year Plan and for programming airport improvements over the next few years. He asked the Board to schedule one its meetings in Holbrook next year.

Robert Simpson, Cameron resident, stated ADOT's preferred alternative for US 89/SR 64 would eliminate two of the four businesses in the community and render the area unsuitable for commercial development. He asked the Board to consider an underpass for SR 64 before moving forward with further planning.

Denise Rosales, Cameron resident, expressed concern about the overpass at Highway 89/SR 64. She said businesses in Cameron rely on tourist traffic and believe the overpass would be an obstacle to the community's economic development.

Jack Brooks thanked the Board for work being done in northern Holbrook and the surrounding area. He asked the Board to consider signage along the pony express route. He noted they intend to have three bronze statues built by their 50th year to commemorate the ride, one to be located in Holbrook, a second in Payson and a third in Scottsdale. He said anything the Board and ADOT could do to assist in raising funds for the statues would be appreciated.

DISTRICT ENGINEER REPORT

Jeff Swan, District Engineer for Winslow, updated the Board on projects and issues of regional significance. He said they have implemented a toll free number which citizens can use to submit comments or express concerns about the condition of roads in the area. He stated they are redecking the Little Colorado Bridge on I-40, completing the paving on 377 and are doing preservation work in the northern part of the district. He reviewed a list of upcoming projects, stating the area west of Holbrook and the Sanders area will be their primary focus for the next five years. He identified commuter routes as a regional concern, noting some carry more than 15,000 vehicles per day. With regard to the local area, Mr. Swan said they have agreed a turnback would be good idea for both ADOT and the city and reported the North Park TI is programmed for reconstruction in 2004. He stated Highway 87 through Winslow and the bridge going under the railroad are future local concerns.

CONSENT AGENDA

Item 43 was pulled from the Consent Agenda.

DIRECTOR'S REPORT

Mr. Victor Mendez thanked Winslow for their hospitality. He stated litter has been a big issue, with a number of articles being written about the problem. He said they met with the Editorial Board of the Arizona Republic, the Department of Corrections, the Department of Tourism and Arizona Clean and Beautiful earlier this week and had a long discussion about litter. He said the Arizona Republic will continue to run editorials on the issue and, given they will be talking with a number of experts in the area, they will come forward at some point with recommendations.

Mr. Mendez reported he had a lengthy interview with Bob Pitre from the Arizona Republic last week discussing a number of issues including the Transportation Fund, the lack of adequate resources, and Vision 21's identification of a \$20 billion deficit. He said they also discussed implications of the federal funding reduction on the state budget. He stated he also briefed Mr. Pitre on the department's business plan and its internal focus on customer service. He said a number of articles should come from the discussion, however, he does not yet know the focus of those articles.

Legislative Report

Mr. Kevin Biesty submitted a copy of the State and Federal Legislative Report dated May 17, 2002 and reviewed its contents. He said the State Legislature is still in session, dealing with the 2003 budget, Indian gaming and the Cardinal Stadium/TSA issue. He stated he has been tracking HB 2706, HB 2707 and HB 2708 and discussed the impacts those bills could have on ADOT if passed.

In response to a member's question concerning HB 2706, Mr. Mendez said, given the constitutional provision that allows for use of highway funds for public safety activities, they believe the maximum amount allowable has been redirected to DPS. He said they would probably get into a legal discussion regarding the definition of public safety if an attempt was made to divert more money from the State Highway Fund to DPS.

Mr. Biesty reported the House of Representatives voted overwhelmingly in support of HR 3694 which restores \$4.4 billion in budget authority to the FY 2003 Department of Transportation Appropriations bill. He noted the Senate's version of the highway funding restoration legislation, SB 1917, has not yet been rescheduled for mark-up.

Chairperson Dusenberry asked how soon the Board could readjust its Five-Year Plan. Mr. Mendez said they need to look closely at the assumptions that were built into the current Five Year Program estimate. He estimated Arizona's share of the \$4.4 billion to total approximately \$67 million, \$50 million of which would be returned to ADOT. Chairperson Dusenberry asked that the issue be included as an agenda item at the June study session.

Mr. Biesty reported the department is currently seeking funds for the Hoover Dam project in both the General Appropriations bill and the Senate's Public Lands bill. He noted Senator Kyle will

also seek funding through the 2002 Supplemental Appropriations bill if other projects start getting added. He thanked Senator Kyle and Kevin Moran, stating they have been very helpful.

Financial Report

Mr. John Fink stated they have not received the April RARF results as yet. He reviewed the HURF results, stating collections were almost \$97 million for the month of April. He said that was 4.3 percent above last year and 1.8 percent above the forecast. He reported, year-to-date, collections are slightly over \$889 million, which is 3.7 percent over last year and 0.6 percent over the forecast. He noted Vehicle License Tax and Gas Tax collections continue to be very strong, up 8.6 percent and 3.7 percent, respectively.

Mr. Fink reviewed the Investment Performance report for March, stating the monthly average invested balance was almost \$926 million. He said they earned \$2.5 million in interest at a current yield of 3.44 percent. He stated year-to-date interest income totals \$26.4 million at an annualized yield of 4.52 percent.

Mr. Fink stated the HELP Fund had a cash balance as of April 30 of \$116.4 million. He pointed out approximately \$16 million was dispersed the first week of May, therefore the cash balance at the end of May will be lower. He stated, to date, there are 36 approved loans totaling nearly \$420 million, not including the \$5 million project on today's agenda.

Financing Program

Mr. Fink reported the Board approved a resolution at the April 19 meeting authorizing the Board and Department to issue \$100 million of Board Funding Obligation Series 2002, with \$40 million deposited into the HELP Fund and \$60 million deposited into the State Highway Fund. He said they provided the State Treasurer with a Board Direction For Dispersement on May 13 and the first \$40 million dispersement will be dated May 31 and deposited into the HELP fund. He said they expect to draw the remaining \$60 million by June 28.

Mr. Fink reviewed the map and table of Help Projects throughout the state. He said they have received a \$4 million application from the city of Safford, which was reviewed by the Technical Committee yesterday and will be reviewed by the HELP Advisory Committee in early June. He reported 46.7 percent of the funding has been in the Maricopa County region, 23 percent in Pima County and 30.3 percent in the other thirteen counties.

The meeting recessed for a short break.

Nomination for MAG Transportation Policy Committee

Mr. Chuck Eaton explained MAG recently formed the MAG Transportation Policy Committee and the Committee Chair, Mayor Rimsza (City of Phoenix) requested the State Transportation Board nominate one of the Maricopa County Board Members to serve.

Board Action: A motion to appoint Rusty Gant to the MAG Transportation Policy Committee was made by Mr. Lane, seconded by Mr. Martin and passed unanimously.

***2002 REMAINING BOARD MEETING DATES:**

June 21, 2002	Board Meeting – Sierra Vista	9:00 a.m.
July 19, 2002	Board Meeting – Eagar	9:00 a.m.
August 16, 2002	Board Meeting – Safford	9:00 a.m.
September 20, 2002	Board Meeting – Nogales	9:00 a.m.
October 18, 2002	Board Meeting – Apache Jct.	9:00 a.m.
November 15, 2002	Board Meeting – Yuma	9:00 a.m.
December 20, 2002	Board Meeting – Tucson	9:00 a.m.

PRIORITY PLANNING ADVISORY COMMITTEE (PPAC)

Recommended SR 85 Implementation
Plan (Presentation)

Board Action: A motion to approve the above recommendation was made by Mr. Gant and seconded by Mr. Hileman.

In response to a member's question, Ms. Tischer explained the funding would come out of contingency funds. She noted segments of SR 85 represented on the map are significantly underfunded, stating, therefore, they will be asking for additional funds.

Mr. Dick Wright clarified the project was estimated at \$15 million when it was programmed in last year's program. He stated the estimate was their best guess at that time, assuring the Board it was not intentionally underprogrammed.

With regard to the increased costs on Section 4, Mr. Wright said they originally planned to have one of the roadways on the existing roadway, but ran into archeological problems. He stated, ultimately, they had to separate the roadways, pushing them into a rock cut on one side. He noted the existing roadway could not be used because it had to be bent out.

In response to Mr. Jeffer's question, Mr. Wright stated they are not allowed to touch the petroglyphs.

Upon a call for the question, the motion passed unanimously.

Recommended FY 2002 and FY 03 – 07
Recreational Trails Program (RTP)

Ms. Tischer explained the Recreational Trails Program was identified in TEA 21 and is funding that comes to the state for use by state parks. She recommended the Board program \$1,208,923 for FY 2002, noting FY 2003-2007 will be handled in the program update coming to the Board in June. She stated the amount requested takes into account the reduction in obligation authority and includes a match by the state parks.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman and seconded by Mr. Lane.

Mr. Jeffers asked if the closure of five state parks will have any effect on how the money would be used. Ms. Tischer said they have requested information from the state parks as to how they define their regions and how they develop the criteria, but have not yet received a response.

Upon a call for the question, the motion passed unanimously.

FY 2002 Right of Way Reprogramming

Ms. Tischer provided an updated listing of FY 2002 projects they are requesting be reprogrammed into FY 2003. She recommended the Board approve the reprogramming of right-of-way funds in the amount of \$10,200,000 from FY 2002 to FY 2003.

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO:	I-40 @ MP 340.00	
COUNTY:	Apache	
SCHEDULE:	FY 2002	
SECTION:	Sanders Port Of Entry	
TYPE OF WORK:	Acquire right of way	
PROGRAM AMOUNT:	\$1,797,000	Funding Source: State
PROJECT MANAGER:	Dave Mellgren	
PROJECT:	H552601R	Item Number; 32801
REQUESTED ACTION:	Defer project from FY 2002 to FY 2003. Design has not started and right of way needs have not been identified.	

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

ROUTE NO:	SR 264 @ MP 381.00
COUNTY:	Navajo
SCHEDULE:	FY 2002
SECTION:	SR 264 @ Second Mesa
TYPE OF WORK:	Rockfall containment

PROGRAM AMOUNT: \$2,101,000 Funding Source: State
PROJECT MANAGER: Michael Andazola
PROJECT: H425601C Item Number; 14602
REQUESTED ACTION: Reduce program amount by \$1,501,000 and defer project to FY 2003. Geological data has required a reevaluation of design. **Funds return to FY 2002 Rockfall Containment Fund #74302.**

PROGRAM AMOUNT: \$2,101,000
DECREASE AMOUNT: \$1,501,000
NEW PROGRAM AMOUNT: \$600,000

ROUTE NO: US 93 @ MP 152.50
COUNTY: Yavapai
SCHEDULE: FY 2002
SECTION: No Name & Placerita Section
TYPE OF WORK: Reconstruct roadway
PROGRAM AMOUNT: \$15,300,000 Funding Source: State
PROJECT MANAGER: Larry Doescher
PROJECT: H497201C Item Number; 11202
REQUESTED ACTION: Increase program amount by \$1,500,000 to \$16,800,000 due to additional slope cutback. **Funds available from FY 2002 Rockfall Containment Fund #74302.**

PROGRAM AMOUNT: \$15,300,000
INCREASE AMOUNT: \$1,500,000
NEW PROGRAM AMOUNT: \$16,800,000

ROUTE NO: SR 264 @ MP 381.00
COUNTY: Navajo
SCHEDULE: FY 2003
SECTION: SR 264 @ Second Mesa
TYPE OF WORK: Rockfall containment
PROGRAM AMOUNT: \$600,000 Funding Source: State
PROJECT MANAGER: Michael Andazola
PROJECT: H425601C Item Number; 14602
REQUESTED ACTION: Increase program amount by \$2,900,000 to \$3,500,000 due new to geological data. **Funds available from FY 2003 Rockfall Containment Fund #74303.**

PROGRAM AMOUNT: \$600,000
INCREASE AMOUNT: \$2,900,000
NEW PROGRAM AMOUNT: \$3,500,000

Board Action: A motion to approve Items 11, 12 and 13 was made by Mr. Jeffers, seconded by Mr. Lane and passed unanimously.

ROUTE NO: SR 260 @ MP 218.40
COUNTY: Yavapai
SCHEDULE: FY 2006
SECTION: Camp Verde TI
TYPE OF WORK: Construct TI
PROGRAM AMOUNT: \$5,000,000 Funding Source: State
PROJECT MANAGER: John Sterner
PROJECT: Item Number; 12106
REQUESTED ACTION: Advance project from FY 2006 to FY 2002 and combine with H386801C, Cottonwood – Camp Verde, Seg 2. **Contingent on approval of HELP loan application.**

ROUTE NO: SR 260 @ MP 218.10
COUNTY: Yavapai
SCHEDULE: FY 2002
SECTION: Cottonwood - Camp Verde, Seg. 2
TYPE OF WORK: Construct roadway
PROGRAM AMOUNT: \$25,330,000 Funding Source: STP
PROJECT MANAGER: John Sterner
PROJECT: H386801C Item Number; 14202
REQUESTED ACTION: Combine scope and funding from Camp Verde TI project and increase program amount by \$5,000,000 to \$30,330,000. **Contingent on approval of HELP loan application.**

PROGRAM AMOUNT:	\$25,330,000
INCREASE AMOUNT:	\$5,000,000
NEW PROGRAM AMOUNT:	\$30,330,000

Board Action: A motion to approve Items 14 and 15 was made by Mr. Martin, seconded by Mr. Gant and passed unanimously.

ROUTE NO: I-40 @ MP 25.10
COUNTY: Mohave
SCHEDULE: FY 2003
SECTION: West Yucca TI
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: \$314,000 Funding Source: State
PROJECT MANAGER: Bill Snarr
PROJECT: H548301C Item Number; 13703
REQUESTED ACTION: Advance project from FY 2003 to FY 2002. Project is ready to advertise. **Available cashflow to advance project from previously deferred projects.**

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: SR 82 @ MP 15.00
COUNTY: Santa Cruz
SCHEDULE: FY 2003
SECTION: SR 82 @ MP 15
TYPE OF WORK: Construct rockfall containment
PROGRAM AMOUNT: \$938,000 Funding Source: State
PROJECT MANAGER: Bruce Purrier
PROJECT: H423901C Item Number; 17802
REQUESTED ACTION: Defer project to FY 2004 and increase program amount by \$362,000 to \$1,300,000 due to recommendations from study team. The study team consists of members from Friends of Scenic SR 82, towns of Patagonia and Sonoita, Audubon Society, Nature Conservatory, FHWA , and ADOT. **Funds available from FY 2004 Rockfall Containment Fund #77004.**

PROGRAM AMOUNT: \$938,000
INCREASE AMOUNT: \$362,000
NEW PROGRAM AMOUNT: \$1,300,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Gant and passed unanimously.

ROUTE NO: US 60 @ MP 109.32
COUNTY: Maricopa
SCHEDULE: New Project
SECTION: Wickenburg Enhancements
TYPE OF WORK: Construct sidewalks & landscaping
PROGRAM AMOUNT: NewProject
PROJECT MANAGER: Larz Garcia
PROJECT: New Project
REQUESTED ACTION: Add new District Minor/Enhancement project to the FY 2003 Highway Construction Program in amount of \$700,000. **See funding sources below.**

FY 03 District Minor Fund #73303 \$200,000
FY 03 Projects of Opportunity Fund #75003 \$500,000
NEW PROGRAM AMOUNT: \$700,000

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Jeffers and passed unanimously.

COUNTY: Statewide
SCHEDULE: FY 2002
SECTION: Statewide - Utility Relocation
TYPE OF WORK: Utility Relocation
PROGRAM AMOUNT: \$1,000,000 Funding Source: State
PROJECT MANAGER: Bruce Vana
PROJECT: Item Number; 72002
REQUESTED ACTION: Increase program amount by \$270,000 to \$1,270,000 in order to cover end of fiscal year shortfall. **Funds available from FY 2002 Utility Location Fund #70802.**

PROGRAM AMOUNT: \$1,000,000
INCREASE AMOUNT: \$270,000
NEW PROGRAM AMOUNT: \$1,270,000

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

ROUTE NO: I-19 @ MP 7.00
COUNTY: Santa Cruz
SCHEDULE: FY 2002
SECTION: Rio Rico - Ruby Road TI
TYPE OF WORK: Reconstruct frontage, widen Ruby Road
PROGRAM AMOUNT: \$11,537,000 Funding Source: HPP/STP
PROJECT MANAGER: Larry Maucher
PROJECT: H516301C Item Number; 16102
REQUESTED ACTION: Increase program amount by \$2,263,000 to \$13,800,000 due to redesign concept for frontage road and Ruby Road widening. **Funds available from FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT: \$11,537,000
INCREASE AMOUNT: \$2,263,000
NEW PROGRAM AMOUNT: \$13,800,000

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Hileman and passed unanimously.

ROUTE NO: US 60 @ MP 180.40
COUNTY: Maricopa
SCHEDULE: FY 2002
SECTION: Mesa Drive TI
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: \$1,652,000 Funding Source: State
PROJECT MANAGER: Floyd Roehrich, Jr.

PROJECT: H463801C Item Number; 17002
REQUESTED ACTION: Increase program amount by \$2,148,000 to \$3,800,000. **States funds in amount of \$1,052,000 from current project fundings will return to FY 2002 Highway Contingency Fund #72302. State funds in amount of \$600,000 from current project will remain. Additional new funding in amount of \$3,200,000 from FY 2002 CMAQ.**
See new break down of funding below.

State Funds (current project funding)	\$600,000
CMAQ	\$3,200,000
NEW PROGRAM AMOUNT:	\$3,800,000

ROUTE NO: US 60 @ MP 174.40
COUNTY: Maricopa
SCHEDULE: FY 2002
SECTION: Rural Road TI
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: \$1,278,000 Funding Source: State
PROJECT MANAGER: Floyd Roehrich, Jr.
PROJECT: H463201C Item Number; 24101
REQUESTED ACTION: Increase program amount by \$449,000 to \$1,717,000. **Funds available from FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT:	\$1,278,000
INCREASE AMOUNT:	\$449,000
NEW PROGRAM AMOUNT:	\$1,727,000

ROUTE NO: US 60 @ MP 175.40
COUNTY: Maricopa
SCHEDULE: FY 2002
SECTION: McClintock Road TI
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: \$1,327,000 Funding Source: State
PROJECT MANAGER: Floyd Roehrich, Jr.
PROJECT: H463301C Item Number; 24201
REQUESTED ACTION: Increase program amount by \$603,000 to \$1,930,000. **Funds available from FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT:	\$1,327,000
INCREASE AMOUNT:	\$603,000
NEW PROGRAM AMOUNT:	\$1,930,000

Board Action: A motion to approve Items 21, 22 and 23 was made by Mr. Lane, seconded by Mr. Gant and passed unanimously.

ROUTE NO: SR 90 @ MP 328.50
COUNTY: Cochise
SCHEDULE: FY 2003
SECTION: San Pedro River - Jct. SR 80
TYPE OF WORK: Extend culverts, widen intersection
PROGRAM AMOUNT: \$651,000 Funding Source: State
PROJECT MANAGER: Bruce Purrier
PROJECT: H523701C Item Number; 18202
REQUESTED ACTION: Advance project from FY 2003 to FY 2002 in order to advertise with adjacent project from Sierra Vista east city limits to San Pedro River. **Cashflow to advance project available from previously deferred projects.**

Board Action: A motion to approve the above recommendation was made by Mr. Martin, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: I-10 @ MP 198.70
COUNTY: Pinal
SCHEDULE: FY 2002
SECTION: Jct. SR 84
TYPE OF WORK: Construct TI improvements
PROGRAM AMOUNT: \$1,866,000 Funding Source: State
PROJECT MANAGER: Michael Andazola
PROJECT: H548701C Item Number; 15502
REQUESTED ACTION: Increase program amount by \$331,000 to \$2,197,000 due to ramp profile modifications. **Funds available from FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT:	\$1,866,000
INCREASE AMOUNT:	\$331,970
NEW PROGRAM AMOUNT:	\$2,196,970

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Hileman and passed unanimously.

ROUTE NO: US 95 @ MP 55.00
COUNTY: Yuma
SCHEDULE: FY 2002
SECTION: MP 55, Drainage Crossing
TYPE OF WORK: Construct drainage improvement
PROGRAM AMOUNT: \$495,000 Funding Source: State
PROJECT MANAGER: Michael Andazola
PROJECT: H529001C Item Number; 26302

REQUESTED ACTION: Increase program amount by \$376,000 to \$871,000 due to scope change. **See funding sources below.**

PROGRAM AMOUNT: \$495,000

INCREASE AMOUNT: \$376,000

FY 02 District Minor fund #73302 \$271,900

FY 02 Highway Contingency Fund #72302 \$104,100

NEW PROGRAM AMOUNT: \$871,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: US 95 @ MP 57.10

COUNTY: Yuma

SCHEDULE: FY 2002

SECTION: MP 57, Drainage Crossing

TYPE OF WORK: Construct drainage improvement

PROGRAM AMOUNT: \$868,000 Funding Source: State

PROJECT MANAGER: Michael Andazola

PROJECT: H529101C Item Number; 26402

REQUESTED ACTION: Increase program amount by \$323,778 to \$1,191,778 due to scope change. **Funds available from FY 2002 Highway Contingency Fund #72302.**

PROGRAM AMOUNT: \$868,000

INCREASE AMOUNT: \$323,778

NEW PROGRAM AMOUNT: \$1,191,778

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Jeffers and passed unanimously.

ROUTE NO: SR 260 @ MP 220

COUNTY: Yavapai

SCHEDULE: New Project

SECTION: Camp Verde Main Street Improvements

TYPE OF WORK: Construct sidewalks and landscaping

PROGRAM AMOUNT: New Project

PROJECT MANAGER: Larz Garcia / tom Ford

PROJECT: H563001C

REQUESTED ACTION: Add new project to the FY 2002 Highway Construction Program in amount of \$1,364,000. **Funds available from FY 2002 Statewide Enhancement Fund #75502.**

NEW PROGRAM AMOUNT: \$1,364,000

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Martin and passed unanimously.

- * Priority Planning Advisory Committee (PPAC)
 - Minutes – March 28, 2002 & April 4, 2002
 - Highway Program Monitoring Report.

- * Priority Planning Advisory Committee (PPAC) Meeting Schedule
Transportation Board Room
206 S. 17th Ave
Phoenix, AZ 85007
(Meetings are held on Thursday unless otherwise noted)
 - June 5, 2002 @ Time to be determined (**Wednesday**)
 - July 3, 2002 @ 1:30 PM – (**Wednesday**)
 - August 1, 2002 @ 1:30 PM
 - September 5, 2002 @ 1:30 PM
 - October 3, 2002 @ 1:30 PM
 - October 31, 2002 @ 1:30 PM
 - December 5, 2002 @ 1:30 PM

HELP Loan

Mr. Fink presented a Resolution recommending approval of an application for Financial Assistance from, and Loan Repayment Agreement with, The Arizona Department of Transportation (ADOT), for the following construction project: SR260, Cottonwood—amp Verde, Segment 2.

Board Action: A motion to approve the following Resolution was made by Mr. Jeffers and seconded by Mr. Lane:

RESOLUTION

RESOLUTION OF THE STATE OF ARIZONA TRANSPORTATION BOARD ACCEPTING AND APPROVING A HIGHWAY EXPANSION AND EXTENSION LOAN APPLICATION FROM THE DEPARTMENT OF TRANSPORTATION AND AUTHORIZING A LOAN REPAYMENT AGREEMENT.

The Board hereby accepts and approves the application for financial assistance from the Highway Expansion and Extension Loan Program (HELP) as requested by the Arizona Department of Transportation, and as approved and recommended by the HELP Advisory Committee.

The Board hereby authorizes the Chairman of the Board and the Director of the Department to enter into a Loan Repayment Agreement relating to HELP Loan Number QDT19S02U, SR 260, Cottonwood-Camp Verde Project.

Dated this 17th day of May, 2002.

The motion passed unanimously.

RIGHT OF WAY RESOLUTIONS

- | | | |
|---|-----------------|--|
| * | RES. NO: | 2002-05-A-017 |
| | PROJECT: | I-40-2(43)89 / 040MO087H088801R |
| | HIGHWAY: | KINGMAN - ASHFORK |
| | SECTION: | Yavapai County Line -- West Section |
| | ROUTE NO.: | Interstate Route 40 |
| | ENG. DIST: | K |
| | COUNTY: | Mohave |
| | PARCEL: | 8-1557 |
| | RECOMMENDATION: | Establish additional right of way to
construct an Eastbound climbing lane |
| | | |
| * | RES. NO.: | 2002-05-A-018 |
| | PROJECT: | I-40-2(8)59 / 040MO060H088801R |
| | HIGHWAY: | KINGMAN - ASHFORK |
| | SECTION: | Hualapai T.I. -- Peacock Mt. |
| | ROUTE NO.: | Interstate Route 40 |
| | ENG. DIST.: | K |
| | COUNTY: | Mohave |
| | PARCELS: | 8-1778 and 8-1783 |
| | RECOMMENDATION: | Establish additional right of way for
Permanent channel structure at Frees
Wash Bridge |
| | | |
| * | RES. NO.: | 2002-05-A-019 |
| | PROJECT: | I-010-C-800 / 010PN198H548701R |
| | HIGHWAY: | PHOENIX -- CASA GRANDE |
| | SECTION: | S.R. 84 (Casa Grande) T.I. |
| | ROUTE NO.: | Interstate Route 10 |
| | ENG. DIST.: | T |
| | COUNTY: | Pinal |
| | RECOMMENDATION: | Establish additional right of way for
Utility relocation |

* RES. NO.: 2002-05-A-020
 PROJECT: STP-035-1(49) / 093YV161H445301R
 HIGHWAY: WICKENBURG - KINGMAN
 SECTION: Santa Maria Section
 ROUTE NO.: U.S. Route 93
 ENG. DIST.: K
 COUNTY: Yavapai
 PARCELS: 13-0808-A
 RECOMMENDATION: Establish additional right of way required
 For slope modification

STATE ENGINEER'S REPORT

- * Report on Construction and projects completed in April, 2002.
- * Right of Way Acquisition Report for April, 2002.

CONSTRUCTION CONTRACTS

Interstate, Non-Federal Aid

BIDS OPENED: May 2
 HIGHWAY: YUMA-CASA GRANDE HIGHWAY (I-8)
 SECTION: Sand Tanks Wash Bridges
 COUNTY: Maricopa
 ROUTE NO: I-8
 PROJECT: I-008-B-500 008 MA 117 H576101C
 FUNDING: 100% State
 LOW BIDDER: J. Banicki Construction, Inc.
 AMOUNT: \$ 153,366.22
 STATE ESTIMATE: \$ 237,020.00
 \$ UNDER: \$ 83,653.78
 % UNDER: 35.3%
 NO. BIDDERS: 11
 RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

BIDS OPENED: April 26
 HIGHWAY: TOPOCK-KINGMAN HIGHWAY (I-40)
 SECTION: Franconia Wash Bridge
 COUNTY: Mohave
 ROUTE NO: I-40
 PROJECT: I-040-A-500 040 MO 013 H575901C
 FUNDING: 100% State

LOW BIDDER:	Stronghold Contracting, Inc.
AMOUNT:	\$ 118,351.30
STATE ESTIMATE:	\$ 185,250.00
\$ UNDER	\$ 66,898.70
% UNDER:	36.1%
NO. BIDDERS:	17
RECOMMENDATION:	AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Martin and passed unanimously.

Non-Interstate, Non-Federal Aid

* BIDS OPENED: May 2
HIGHWAY: PAYSON-SHOW LOW HIGHWAY (SR 260)
SECTION: Timberland-Lone Pine Road
COUNTY: Navajo
ROUTE NO: SR 260
PROJECT: S-260-B-505 260 NA 332 H561901C
FUNDING: 99% State
1% Show Low Unified School District #10
LOW BIDDER: Combs Construction Company, Inc.
AMOUNT: \$ 793,754.66
STATE ESTIMATE: \$ 860,645.95
\$ UNDER: \$ 66,891.29
% UNDER: 7.8%
NO. BIDDERS: 8
RECOMMENDATION: AWARD

Interstate Federal Aid (required FHWA Concurrence and compliance with DBE regulations)

BIDS OPENED:	April 12
HIGHWAY:	YUMA-CASA GRANDE HIGHWAY (I-8)
SECTION:	Mohawk Canal Overpass, EB & WB
COUNTY:	Yuma
ROUTE NO:	I-8
PROJECT:	BR-008-A(003)A 008 YU 035 H550401C
FUNDING:	80% Federal 20% State
LOW BIDDER:	Hunter Contracting Co.
AMOUNT:	\$ 4,077,188.95
STATE ESTIMATE:	\$ 5,015,649.70
\$ UNDER:	\$ 938,460.75
% UNDER:	18.7%

NO. BIDDERS:

7

RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Hileman, seconded by Mr. Gant and passed unanimously.

(Non-Interstate Federal-Aid ("A","B" projects do not need FHWA concurrence, but must comply with DBE regulations; other projects are subject to FHWA and/or local government concurrence and compliance with DBE regulations)

BIDS OPENED: April 26
HIGHWAY: PHOENIX-WICKENBURG HIGHWAY (US 60)
SECTION: Morristown RROP – 203 Avenue (West)
COUNTY: Maricopa
ROUTE NO: US 60

PROJECT: AC-NH-022-2(58)B 060 MA 122 H457303C
FUNDING: 94% Federal 6% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 14,750,149.92
STATE ESTIMATE: \$ 18,011,262.60
\$ UNDER: \$ 3,261,112.68
% UNDER: 18.1%
NO. BIDDERS: 7
RECOMMENDATION: AWARD

Board Action: A motion to approve the above recommendation was made by Mr. Gant, seconded by Mr. Lane and passed unanimously.

BIDS OPENED: April 26
HIGHWAY: PHOENIX-GLOBE HIGHWAY (US 60)
SECTION: Rural Road T.I.
McClintock Drive T.I.
Mesa Drive T.I.
COUNTY: Maricopa
ROUTE NO: US 60
PROJECT: STP-060-C(5)A 060 MA 174 H463201C
STP-060-C(6)A 060 MA 175 H463301C
CM-STP-060-C(9)A 060 MA 180 H463801C
FUNDING: 94% Federal 3% State 3% City of Mesa
LOW BIDDER: Meadow Valley Contractors, Inc.
AMOUNT: \$ 5,593,990.86
STATE ESTIMATE: \$ 6,150,165.20
\$ UNDER \$ 556,174.34

% UNDER:	9.0%
NO. BIDDERS:	4
RECOMMENDATION:	AWARD

Mr. Jeffers declared a possible conflict of interest.

Board Action: A motion to approve the above recommendation was made by Mr. Lane, seconded by Mr. Gant and passed unanimously. Mr. Jeffers abstained.

* BIDS OPENED: May 2
HIGHWAY: WHY-TUCSON HIGHWAY (SR 86)
SECTION: Junction SR 386-Milepost 137.2
COUNTY: Pima
ROUTE NO: SR 86
PROJECT: STP-086-A(002)A 086 PM 134 H587601C
FUNDING: 94% Federal 6% State
LOW BIDDER: Granite Construction Company
AMOUNT: \$ 711,216.00
STATE ESTIMATE: \$ 830,817.00
\$ UNDER: \$ 119,601.00
% UNDER: 14.4%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

* BIDS OPENED: May 2
HIGHWAY: TOPOCK-DAVIS DAM HIGHWAY (SR 95)
SECTION: Bullhead Streets
COUNTY: Mohave
ROUTE NO: SR 95
PROJECT: STP-095-D(001)A 095 MO 243 H527201C
FUNDING: 94% Federal 6% State
LOW BIDDER: Kiewit Western Co.
AMOUNT: \$ 1,421,652.00
STATE ESTIMATE: \$ 1,466,846.60
\$ UNDER: \$ 45,194.60
% UNDER: 3.1
NO. BIDDERS: 4
RECOMMENDATION: AWARD

* BIDS OPENED: May 2
HIGHWAY: CLAYPOOL-JAKE'S CORNER HIGHWAY (SR 188)
SECTION: Tonto National Monument-Resort Road
COUNTY: Gila
ROUTE NO: SR 188

PROJECT: FH-STP-038-1(37)A 188 GI 232 H502501C
FUNDING: 95% Federal 5% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 12,625,294.85
STATE ESTIMATE: \$ 12,046,291.80
\$ OVER: \$ 579,003.05
% OVER: 4.8%
NO. BIDDERS: 4
RECOMMENDATION: AWARD

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BIDS OPENED: April 18
HIGHWAY: BOWIE JUNCTION-SAFFORD HIGHWAY
(US 191)
SECTION: Junction SR 266 - Old Country Club Road
Artesia Road - Old Country Club Road
COUNTY: Graham
ROUTE NO: US 191
PROJECT: STP-191-B(005)A 191 GH 104 H527901C
FUNDING: 94% Federal 6% State
PROJECT: U-191-B-500 191 GH 111 H493601C
FUNDING: 100% State
LOW BIDDER: FNF Construction, Inc.
AMOUNT: \$ 1,931,154.55
STATE ESTIMATE: \$ 2,121,632.60
\$ UNDER: \$ 190,478.05
% UNDER: 9.0%
NO. BIDDERS: 6
RECOMMENDATION: AWARD

BIDS OPENED: January 31
HIGHWAY: RED MOUNTAIN FREEWAY SR 202L
SECTION: Maricopa
ROUTE NO: SR 202
PROJECT: RAM-202-A-502 202L MA 013 H492103C
FUNDING: 93% State 7% City of Mesa
LOW BIDDER: M Anderson Construction Corp.
AMOUNT: \$ 2,132,822.20
STATE ESTIMATE: \$ 2,345,609.80
\$ UNDER: \$ 212,787.60
% UNDER: 9.1%
NO. BIDDERS: 5
RECOMMENDATION: REJECT ALL BIDS

COMMENTS: Subsequent to opening of bids for this project, significant funding cuts specifically targeted landscape maintenance.

As a result, funding is not available for long-term maintenance of new landscaping, including this project. Therefore, staff recommends rejecting all bids.

Board Action: A motion to table Item 48 until the June Board meeting was made by Mr. Jeffers, seconded by Mr. Lane and passed unanimously.


CONSENT AGENDA

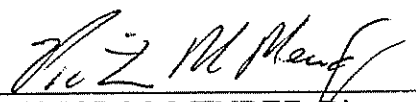
Board Action: A motion to approve the Consent Agenda was made by Mr. Hileman, seconded by Mr. Gant and passed unanimously.

ADJOURN

Board Action: A motion to adjourn was made by Mr. Jeffers, seconded by Mr. Hileman and passed unanimously.

The meeting adjourned at 11:45 a.m.


KATIE DUSENBERRY, Chairperson
State Transportation Board


VICTOR M. MENDEZ, Director
Arizona Department of Transportation

*Denotes items approved in the consent agenda.